

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**CORRECTED  
FISCAL NOTE**

**HB 2380 - SB 2242**

February 13, 2012

**SUMMARY OF BILL:** Authorizes the Department of Transportation (DOT) to digitally distribute utility relocation plans to utility owners.

**ESTIMATED FISCAL IMPACT:**

On January 24, 2012, a fiscal note was issued estimating a fiscal impact as follows:

*Decrease State Expenditures – \$505,600/Highway Fund*

*According to the Department of Finance and Administration, the Division of Budget, this bill will be included in the Governor's Recommended Budget for FY12-13 reflecting a recurring decrease in state expenditures of \$1,625,000 from the Highway Fund.*

Based upon additional information provided by the Department of Finance and Administration, the estimated impact is:

**(CORRECTED)**

**Decrease State Expenditures – \$505,600/Highway Fund**


**Assumptions:**

- Under current law, DOT is required to provide each utility owner with at least two sets of complete project plans by certified mail or hand delivery. Authorizing DOT to deliver the plans digitally will result in a recurring decrease in state expenditures for printing, shipping, and handling of these plans.
- In 2011, Region II distributed approximately 572 plans. Approximately 2,288 plans were sent statewide (572 plans x 4 regions).
- According to DOT, the average plan contains 100 pages measuring 24 inches x 36 inches, for a total of 228,800 pages (2,288 plans x 100 pages). DOT estimates printing cost to be \$2.00 per page. The recurring decrease in state expenditures for printing of the plans is estimated to be \$457,600 (228,800 pages x \$2.00 per page).

- According to DOT, Region II expenditures in 2011 for certified “other than letter” mail were \$12,000. The recurring decrease in statewide certified mail expenditures is estimated to be \$48,000 ( $\$12,000 \times 4$  regions).
- The total recurring decrease in state expenditures from the Highway Fund is estimated to be \$505,600 ( $\$457,600 + \$48,000$ ). According to the Department of Finance and Administration, these savings will be allocated to other DOT programs.
- The legislation, as drafted, does not impact other stages of the utility relocation process and will not result in cost savings in those areas.

### **CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise". The signature is fluid and cursive, with the first name "Lucian" written in a larger, more prominent script than the last name "Geise".

Lucian D. Geise, Executive Director

/bos